Prison Labor: U.S.-Style Fascism

A PLP pamphlet

The Clinton Administration, the AFL-CIO and various non-governmental organizations such as the Global Exchange have launched a vast campaign against prison labor and sweatshops in other countries, mainly China, but also in Indonesia, India, Southeast Asia and Latin-America — anywhere but right here in the United States. Yet it is here in the U.S. that the ruling class and its government apparatus —federal, state and local — have established the largest forced labor sweatshop system in the world. The hypocritical cry of "human rights" by these rulers and their lieutenants is belied by the U.S. prison-industrial complex, the most inhuman system on the planet.

There are now approximately 2,000,000 inmates in U.S. prisons and jails.[1] (Federal and state institutions are defined as "prisons." Local city and county institutions are defined as "jails.") Then there are privatized prisons run by large "correction" corporations. These prisoners, especially in the past decade, have become a vast source of slave labor and of billions of dollars in profits. "No other society in human history has ever imprisoned so many of its own citizens…"[2]

The figures are staggering. The U.S. has incarcerated more people than any other nation, a half million more than China[3] (which has nearly FIVE times the population of the U.S.). California alone has the biggest prison system in the Western industrialized world, (in 1998, 160,000 inmates). That's more than France, Germany, Great Britain, Japan and the Netherlands COMBINED — just in California! Those five countries have a total population of 340,000,000, more than eleven times that of California.

Overall, the total "criminal justice" system in the U.S., including those in prison, on parole and on probation, is approaching 6,000,000. In the last two decades, 1,000 new prisons have been built in the U.S. Yet "prisons are more overcrowded than when the building spree began."[4]

Hundreds of thousands of these prisoners, possibly even half a million — over two-thirds of whom are black and Hispanic —are being forced to work for as little as 20¢ an hour, some as low as 75¢ a day! They produce everything from clothing, eyewear, furniture, electronic cable assemblies, aircraft parts, computer circuit boards, mattresses, printing, data entry, vehicle parts, "shrink-wrap" Microsoft software, meatpacking, telemarketing, and on and on. U.S. bosses, unable to provide youth, especially black and Latin youth, with jobs either entice them into the military or drive them into prison where they are "hired" at slave "wages." There they become part of the inmate population making products that undersell those made outside the walls, leading to thousands of layoffs and the lowering of the overall wage scales of the entire working class. The apparel industry has lost 8,000 jobs to the federal prison system alone,[5] and federal inmates comprise only one-sixteenth of the total U.S. prison population.

Oregon State Representative Kevin Mannix, told that Nike subcontractors pay Indonesian workers $1.20 per day, said, "We propose that [Nike] take a look at their…labor costs. We could offer [competitive] prison inmate labor right here in Oregon."[6] In Soledad Prison in Monterey, Calif., prisoners work 9-hour days at 45¢ an hour producing blue work shirts that are exported for sale in ASIA. Even with transportation costs, they can undersell Asian sweatshops! State prisoners are making El Salvadoran license plates here more cheaply than can be made in El Salvador, one of the poorest countries in the Western Hemisphere![7]

Capitalism's bottom line is that prison labor is "good for the country." Before a scheduled conference of economists to discuss the effects of prison labor, a May 22, 1999 report in the *Wall Street Journal* summarized that, while "more expensive private-sector workers may lose their jobs" to prison labor, "assigning work to the most cost-efficient producer is good for the economy." And what could be more "cost-efficient" than forcing prisoners to work for 23¢ an hour?!

Profits, War, Unemployment And The Prison-Industrial Complex

It is the profit motive that creates the built-in incentives for increasing the prison population, for lengthening terms, for extending the terms of those already sentenced and for using all this as the newest feature of capitalist production. Profits are the foundation of capitalism. All the evils of this prison-industrial complex stem from the combination of its profit motive, of its need to enforce racism to divide, and extract super-profits from, the working class. But alongside the profit motive for such a vast operation is the ruling class's need for social control of the working class to maintain that very profit system.

To strengthen their profit position in their long-rang worldwide fight for markets, resources, exploitation of cheap labor and control over oil supplies, U.S. rulers — especially the dominant Rockefeller wing — must be prepared to go to war, both "small" and big wars. Increasingly this means exercising more rigid control at home, over its own working class. It means militarization of society and a grinding down of workers' living standards. What better way to accomplish this than to imprison millions (even while, as they themselves admit, "crime" is going down), using them as the absolute cheapest labor force and lowering wages and standards for the entire working class to boot? Given the fact that armed forces enlistments are falling short of minimum quotas, look for them to begin offering prisoners the chance to shorten their sentences by joining the military and "wiping their slate clean."

Furthermore, the tremendous increase in the jailing of non-violent offenders is a way to "reduce" unemployment, and keep the least skilled, and possibly the most rebellious, behind bars. The *Wall Street Journal* reported (Feb. 1, 2000): "Prisoners are excluded from employment calculations. And since most inmates are economically disadvantaged and unskilled, jailing so many people has effectively taken a big block of *The Nation*'s least-employable citizens out of the equation." What a way to deal with potential rebellions of masses of unemployed, who were a large part of those uprisings in the 1960s!

The Racist Roots Of The Prison-Industrial Complex

How did all this come about, from less than 300,000 prisoners in 1972 to 2,000,000 in the year 2000 and counting?

Prison labor has its roots in slavery. After the Civil War, a system of "convict leasing" was introduced to carry on the slavery "tradition." Freed slaves were convicted of not fulfilling sharecropper arrangements or of petty theft — guilty or not — and then "rented out" to pick cotton, work in the mines, and build the railroads. In Georgia, from 1870 to 1910, 88% of the "leased convicts" were black. In Alabama, 93% of the "leased" miners were black. In Mississippi, a huge prison farm similar to the old slave plantations replaced convict leasing. The infamous Parchman Farm existed until 1972.

During the post-Civil War period, racist "Jim Crow" laws became the law of the land, mandating segregation in schools, housing, marriage and many other aspects of life. Now a new set of laws, with a marked racist character, enforces slave labor sweatshops in the criminal "justice" system through what has become known as the prison-industrial complex.

Prison Population Increase

The enormous increase in the prison population has several sources: (1) the imprisonment of non-violent offenders, including long prison terms for possession of microscopic amounts of illegal drugs; (2) the passage of "Three Strikes" laws in 13 states; (3) the lengthening of sentences; (4) passage of laws mandating minimum sentences no matter what the circumstances; (5) the tremendous expansion of prison labor, the profits from which creates the incentive to put more people in prison, for longer periods of time, with increased in-prison penalties which lengthen terms beyond the original sentence. All these factors increase potential profits for those investing in the prison-industrial complex.

A combination of federal and state laws greatly increased prison terms for possession of tiny amounts of illegal drugs. Federal law mandates five years without parole for possession of 5 grams (one-sixth of an ounce) of crack cocaine or of 3½ ounces of heroin and 10 years for possession of less than 2 ounces of crack. (Interestingly enough, a 5-year sentence for possession of POWDER cocaine requires possession of 500 grams, or 100 times the amount of crack for the same sentence. The overwhelming majority of crack users are black and Hispanic; the overwhelming majority of powder users are middle- and upper-class whites. The "war on drugs" was essentially a racist war on black and Hispanic workers and youth.)

The Rockefeller drug laws in New York State, passed when Nelson Rockefeller was governor in 1973, made possession of 4 ounces of any illegal drug subject to a mandatory sentence of 15 years to LIFE. Other states followed suit. During the 12 years that the liberal Mario Cuomo was governor of NY State (1982 to 1994), he added more prison

beds — mainly for these non-violent offenders — than all the previous governors of the state COMBINED, going back 200 years! (More on this later.)

PAROLE

What is life like for the more than three million prisoners who have been released on parole? They can be stopped and searched at any time; their homes can be entered without a warrant; they need permission from their parole officer to borrow money, marry, drive a car or change jobs. If their parole is revoked, they are returned to prison without a trial to complete their full sentence. In California, felony convictions can carry an "indeterminate sentence," form one year to life, decided by the parole board.

Ninety-seven percent of the 125,000 federal prisoners are non-violent offenders. Two-thirds of more than 1,000,000 state prisoners are non-violent offenders." Crimes that in other countries would usually lead to community service, fines or drug treatment — -or would not be considered crimes at all — in the U.S. lead to a prison term."[8] (Our emphasis-Ed.)

The "Three Strikes" law passed in California as part of its "get-tough-with-crime" war led to the need for 20 new prisons just to handle the increase in inmates from that law alone. The law said that two prior felony convictions mandated 25 years to life for a third conviction for ANYTHING, no matter what the prescribed sentence for that third offense. And juries cannot be told a particular conviction is a third offense. The result? Third offenders have been sent to prison for 25 years to life for stealing several pairs of pants or possession of one gram (one-thirty-third of an ounce) of cocaine. One offender convicted of stealing a car and two bicycles received three 25-year terms![9]

California’s prisons now house twice as many inmates as the number they were built for. State prison officials estimate California will have to spend $6.1 billion over the next decade just to remain at the present level of overcrowding! The counties will need another $2.4 billion to maintain the same double capacity. A number of California prisons contain 6,000 prisoners. However, proposals are afoot to construct "mega-prisons" which will handle up to 20,000 inmates each.

Such is the nature of this "growth industry" that David Myers, West Coast regional president of the Corrections Corporation of America (CCA), the largest private prison corporation in the U.S., told a reporter his company is building three prisons in California entirely on speculation. That is, they have no contract with the state to house prisoners when construction is completed. However, this executive is confident that, "If you build it in the right place, the prisoners will come."[10] Myers believes the CCA’s "low-cost, turnkey-ready beds [are] sure to attract business from the federal Immigration and Naturalization Service (INS) and from U.S. marshals."

When New York's Democratic governor Cuomo assumed office, faced with the effects of the Rockefeller drug laws, he had two choices: either repeal them and follow the non-prison sentences handed out in most countries, or keep the drug laws, "get tough" and build new prisons. He chose the latter. However, the state's voters had just rejected a proposed bond issue to finance such a program. So Cuomo used the state's Urban Development Corporation (UDC) —a public agency created in 1968 to build housing for the poor, and whose bond issues didn't need voter approval — to issue bonds for prison financing, the biggest in state history. Wall Street's investment bankers cleaned up. The total cost, including interest, would reach 7 billion dollars. In fact, Cuomo "sold" the infamous Attica prison for $200 million to the UDC, which then "leased" it back to the State. The UDC bonds issued to pay the state its $200 million will have netted $500 million in interest to those bankers by the time the bonds are paid off![11] Who said, "Crime doesn't pay"?

A Concentration Camp For Black and Latin Workers and Youth

The 700% increase in prisoners in the U.S. over the past 25 years has a marked racist character. Historically there has been a disproportionate number of black prisoners in the U.S. But the combination of long prison terms for non-violent offenders possessing an ounce or two of crack cocaine, the zeroing in on the predominantly black inner cities by racist big-city police forces, and the framing of tens of thousands of black youth by corrupt racist police (the recent revelations about the LAPD are only the latest example) has resulted in HALF the inmates in this country's prisons being black (although they constitute only 10% of the population).

ONE SOLUTION....

Prison labor led to the Briceville, Tennessee, Coal Creek Rebellion in 1891-1892. When miners insisted on a contract barring union membership, unionized miners were locked out and "leased" convicts were forced to scab in the mines. Miners stormed the convicts' stockade and freed over 400 prisoners. The company gave in, rehiring the union miners and halted the use of convict labor.

Violent crimes have been about the same among black people as among whites for the past 20 years, and currently the "prevalence of illegal drug use among white men is approximately the same as black men." Yet because of the above racist factors, "black men are five times as likely to be arrested for drug offenses."[12] Seventy percent of all prisoners in the U.S. are black or Hispanic. Two-thirds of all state inmates (97% of federal inmates) are imprisoned for non-violent crimes. Many are convicted because of inadequate legal representation. Many others are forced to plea bargain to avoid even longer prison terms. All this has trapped a vast pool of black — and increasingly Latino

— men in the "criminal justice" system, to become fodder for the most exploitative profit making since pre-Civil War slavery.

Presently one of every four black men in the U.S. is likely to be imprisoned at some time during his lifetime. One of every 14 black men is now in prison or jail. Black men, who constitute 10% of the male population in the U.S., are imprisoned at more than four times the rate of black men in South Africa where they constitute 75% of the male population! Can there be any doubt that black men in the U.S. are living in a fascist state?

This tremendous racist oppression of black people by the criminal INjustice system has helped lay the basis for the attack on Hispanic workers and youth. They are the fastest growing sector of the prison population, having increased from 7% in 1980 to 14% in 1992 to 20% currently. In Massachusetts, Hispanics are jailed for drug offenses at 81 times the rate of whites convicted of drug offenses. (For blacks, the rate is 39 times that of whites.) In California in the last eight years, the Latino population rose from 26% to 28% of the total, but the State's Latino male prisoners nearly doubled, from 29,679 to 53,881.[13]

Since the U.S. ruling class had decided to "solve" the drug problem (that its system had created) by imprisoning millions of non-violent offenders in for from five years to life, a dual problem arose: how could they put hundreds of thousands of new "convicts" into prisons with the capacity to hold only tens of thousands? And if they solved that one by building new prisons, how would they pay for it?

This huge increase in prisoners and prisons, and the cost of both, led to the current "solution": use forced prison labor to pay for the costs of building and maintaining the prisons, which in turn enables all the sectors of the capitalist class that feed off this prison-industrial complex to reap billions in profits. Of course, the creation of these U.S. "maquiladoras" results in mass layoffs of workers outside prisons earning higher wages, both unionized and unorganized.

In much of the 20th century, prisons were used mainly for repression. Now they constitute a vast source of profit as well, with increased repression feeding increased profits. The nature of this system is utterly fascist. If not exactly duplicating Nazi Germany, it is fast becoming analogous to its forced slave labor and concentration camps on several counts.

Firstly, the corporation established within the federal prison system is following Nazi footsteps with its war production. Federal Prison Industries produces 100% of all army helmets, ammunition cases, body armor, I.D. tags, shirts and pants, tarps and canteen covers.[14]

Secondly, the German firms of I.G. Farben, Krupp, Daimler-Benz, and the subsidiaries of GM and Ford used Hitler's slave laborers to produce super-profits for themselves (the concentration camps were not only for murdering Jews and others); so, too, do many Fortune 500 corporations use prison labor to extract super-profits here. (See "Prison Labor, States" below.)

Finally, the use of prisons in the U.S. as instruments of repression is increasing. If not quite equal to Hitler Germany, U.S. prisons have their own set of horrors—extreme racism, beatings, torture, deaths, sexual exploitation by guards, putting juveniles in adult prisons, sentencing non-violent offenders to long prison terms (from 15 years to life) and so on. (At California's Corcoran State Prison, officials "staged 'gladiator days' in which rival gang members were encouraged to fight, staff members placed bets on the outcome, and matches often ended with inmates being shot."[15])

STRIKE-BREAKING

In the mid-1980s, unionized flight attendants struck TWA. The airline set up a reservations operation with prison labor in California's Ventura Youth "Facility." This allowed TWA to transfer its ticket agents to the flight attendants' jobs. Thus, the use of prison labor, in effect, subsidized TWA's strikebreaking.

There are at least seven distinct ways profits are wrenched out of this vast U.S. prison population:

(1) Goods and services produced inside prisons by prison labor and sold by federal, state and local prisons/jails either to other government agencies, or on the open market or as exports abroad;

(2) The contracting out of prison labor (both inside and outside prisons) to private corporations at slave labor wages;

(3) The creation of vast new private prison corporations that profit both from housing inmates from state prisons as well as from using these inmates as forced prison labor;

(4) The construction of new prisons, using both prison and non-prison labor;

(5) Interest paid to banks and Wall Street investment houses on loans for the construction and upkeep of new prisons, both public and private;

(6) The venders of supplies to prison industries;

(7) The pay telephone racket set up inside prison walls by private phone companies for collect calls by prisoners to the outside world.

All these profiteers combined comprise what is now commonly defined as the Prison-Industrial Complex, one of the biggest growth industries in the U.S. This multi-billion dollar industry has its own trade shows, conventions, web sites, mail order catalogues, direct marketing campaigns, architectural firms, construction firms, Wall Street

investment houses, plumbing supply companies, food service companies, and outfits selling "prison-specific" products: bullet-resistant security cameras, padded cells in "vast color selections," belts and shackles ("special for juveniles"), body orifice security scanners, razor wire, etc., etc. This industry even has its own Yellow Pages, with a list of over 1,000 venders. All this is largely based on the non-violent offenders (two-thirds of the two million) who, by even European capitalist standards, should not be in prison at all.

PRISON LABOR STRIKE

On January 1, 2000, 4,000 inmates at New York State's Sing Sing and Green Haven prisons were placed in "lock-down" for two weeks when 85 prisoners were accused of "plotting a strike," encouraging their fellow prisoners to stay in their cells and not to report to prison jobs. Several prisons "ran slow." The 85 were dispersed to other prisons. Those found with leaflets calling for a work stoppage were put in solitary.

Prison Labor — Federal

The federal government's prison labor program works through a federally established corporation, Federal Prison Industries (FPI) whose trade name is UNICOR. Federal law requires all federal agencies to buy FPI products when available, without competitive bidding from private companies. FPI is also allowed to sell prisoner-made products abroad. (Of course, the Clinton/Rockefeller/AFL-CIO/Global Exchange "human rights" hypocrites supposedly oppose importing prisoner-made products but are silent about exporting U.S. prisoner-made goods.) A pending bill would allow the FPI to sell on the open (private) market in the U.S. FPI's annual sales are running well over a half-billion dollars. It manufactures over 150 different products in 99 factories in 64 prisons (with 19 new ones in the works) in 30 states. FPI is the federal government’s 35th largest contractor, just behind IBM.

FPI pays prisoners in a 5-grade range, starting at 23¢ an hour and "topping off" at $1.15 (although the prisoner retains only half of even this tiny amount). FPI is exempt from any federal workplace and job regulations. "Inmates are forced into UNICOR jobs against their will and severely punished...if they object."[16] When prisoners refused, for health reasons, to rip up asbestos tiles when renovating an Army medical center, their boss demanded, "You either rip up the tile or you go to the hole [solitary confinement]."[17]

In addition to the war production mentioned previously, FPI’s 27,000 prison laborers (and growing) produce 98% of the entire U.S. market for equipment assembly services, 93% of paint and artist brushes, 92% of all kitchen assembly services, 46% of all personal armor, 36% of all household furnishings, 30% of all headset/microphone/speakers, 21% of all household furniture 18% of all electrical

hardware, 17% of all office furniture, and on and on. The real sweatshop character of federal prison labor is revealed by FPI's chief operating officers, Steve Schwalb who "sees FPI making…toys and sneakers, almost all now made abroad."[18] That means underselling sweatshops in Asia and Latin America.

FPI will either set up its own factories inside prisons and underbid private companies or will offer to set up prison factories for lease to private corporations. Congressional testimony in 1996 reported a "pent-up demand for prison labor." FPI advertised for companies "interested in leasing a ready-to-run prison industry"; "be able to hire and fire selectively among inmates."[19]

In turn, this "private hiring of prison labor…whips up incentives for incarceration. Prisons…depend on the revenue. Shareholders in corporations profiting from prison labor [lobby for] longer sentences to expand their workforce….The system…builds upon itself."[20]

Of course, this enslavement of prison labor leads to layoffs outside the prisons. American Apparel in Selma, Alabama, which produced military uniforms, was forced to lay off 500 workers when it lost its contract to FPI. Virginia Metals in Orange, Virginia, went out of business, laying off 110, when FPI took over its government contract for office partitions. Northwest Woolen Mills in Rhode Island laid off 50 workers, earning $10.50 an hour, when FPI snared its army contract, based on paying prisoners 29¢ an hour.

Prison Labor — States

At least 37 states have legalized the contracting out of prison labor to private corporations that set up operations inside state prisons. The list of these prisons' business clients reads like a Who's Who of Corporate America: IBM, Boeing, Motorola, Microsoft, AT&T Wireless, Texas Instruments, Dell, Compaq, Honeywell, Hewlett-Packard, Nortel, Lucent Technologies, 3Com, Intel, Northern Telecom, TWA, Nordstrom, Revlon, Macy's, Pierre Cardin, Target stores, and on and on.

In 1994 state prisoners produced over $900 million worth of goods and services. With the vast increase in corporate use of prison labor, this may very well be twice that now. This does not include the value of services performed by prisoners just to maintain the prison. If the state had to pay outside labor even the legal minimum wage for this work, it would cost far more than the states pay prisoners. Many pay nothing for this prison maintenance work.

INNOCENT, GETS LIFE = "THE SYSTEM WORKS"

The U.S. is one of the few countries in the world retaining the death sentence. Since 1976 through August 1999, 566 prisoners were executed, the great majority being black. However, 82 of those on death row were able to fight their convictions hard enough to

prove their innocence. That's one for every seven executed. How many more of those executed might have been found innocent (especially after being framed) partly depended on the deadlines for new evidence to be submitted on appeal. In Virginia that deadline was reduced recently to 21 days.

Before that, Earl Washington, Jr., had lasted 17 years on death row when DNA evidence found him innocent of the crime for which he had been convicted. "Too late," said the Virginia Attorney-General. Rather than release an innocent man, his sentence was commuted to life imprisonment! Said the Attorney-General, this proves "the system works...."

Microjet in Monroe, Wash., makes aircraft components for Boeing in a rent-free factory, a 56,000-square-foot industrial building built and maintained by the state.[21] Workers are paid $5 to $7 an hour but only receive 20% of that. (Boeing machinists earn $25 an hour.) In the same prison, "Redwood Outdoors" has a garment sweatshop making clothing for Eddie Bauer, Union Bay, Planet Hollywood and others.[22] The Washington Marketing Group (WMG) employs prisoners to do telephone soliciting for Prudential Health Insurance, United Van Lines, the Red Cross, the American Cancer Society and the Leukemia Society.[23]

Omega Pacific's owner told the Spokane Spokesman-Review (Feb. 2, 1996) that he "moved to prison because it's rent-free," he has "no workers who don't come in because of rush hour or sick children at home; workers don't take vacations" and he doesn't "have to deal with employee benefits or workmen's compensation." I.G. Farben had the same advantages in Nazi concentration camps.

Oregon is spending $151 million to transform the State Mental Hospital into a combination women's prison and men's intake center, which would "warehouse" prisoners up to 45 days and then ship them around the state as slave laborers. Says Prison Administrator Larry Henning, "This is strictly about good business. We're using their labor to get the highest possible return while they're incarcerated."[24] In plain language, it's a center which traffics in human beings, dispatching slave laborers to where they will produce the highest profit.

The Virginia prisons advertise in trade magazines and mail out brochures proclaiming, "Virginia's Prisons. They Are Wide Open to Business: "willing, experienced workers"; "no benefit packages, no pensions, no health insurance, no vacations or sick leave." Virginia's prison "wage scale" starts at 23¢ an hour and "tops out" at $1.53. The Governor puts it straight: "We complain about prison labor from China." Not to be outdone, he says, "Let's have our own prisoners doing something…"[25]

Kwalu, a South African company, finds it cheaper to exploit 120 workers in South Carolina's Ridgeland prison producing chairs for MacDonald's and for retirement homes than it would to manufacture them South Africa.[26] In the same state, Josten's, which

makes graduation caps and gowns, was considering expanding its business by contracting its work out to sweatshops in Mexico. But then they found it cheaper to set up a sweatshop in the Leath Women's prison near Laurens, S.C. and have the sales "advantage" of labeling the garments "Made in America."

In Kentucky prisoners are paid 75¢ a day working at re-cycling centers. In North Carolina, 12 state prisons "rent out" 650 prisoners, men and women, as cheap labor to local towns. They're paid 70¢ day. Wisconsin prisons advertise: "Can't find workers? A willing workforce awaits."

Four states — California, Texas, New York and Florida — hold 35% of all state prisoners, nearly half a million. The South Florida Business Journal reported (July 9, 1999) state prisoners are employed as citrus fruit workers in South Florida, making the "Florida citrus industry competitive with Mexico." Of New York State's 72,000 prisoners, half are employed at an average daily rate of $1.05.[27]

Texas, with the second highest state prison population, has become the great "importer" of prisoners from other states (of which more later.) Prisoners exported from Colorado to Texas for prison labor are paid $1 a day.

Finally there is California, which tops them all: the most prisoners, the most prisons, the most overcrowded, the highest budget ($5 billion per year, 18% of the total state budget) and laws that require all able-bodied prisoners to work. It was that edict which impelled the expansion of the prison industry program to "create jobs." (As one unemployed welder said, "It looks like the only way to get a job is to go to prison.")

The California Prison Industry Authority (PIA) was established to employ prison labor at "wages" of 30¢ to 95¢ an hour, with no benefits. Other State agencies are required by law to buy needed products from the PIA and nowhere else. After the passage of Proposition 139 in 1990, which allowed private corporations to use prison labor to make and sell products on the open market, the PIA began renting out space for in-prison factories at 1¢ to 3¢ a square foot. They pay no local, state or federal taxes.

This combination of the PIA and Proposition 139 was the "solution" to California's skyrocketing prisoner population: make slave laborers pay for their upkeep in prison, for prison maintenance and even work on prison construction, while enabling Corporate America to make a killing. Is it any wonder that Bob Tessler sold his maquiladora sweatshop in Tecate, Mexico, and moved his data processing firm DPAS to California's San Quentin prison? "We have a captive labor force. That makes the whole business profitable."[28] And he can sell his data entry work and "literature assembly" a lot more cheaply to his clients — Chevron, Bank of America and Macy's, among others — who are now also profiting from prison slave labor.

CMT Blues set up a garment sweatshop in a maximum-security prison in San Diego where 70 workers sew Tee shirts for Mecca, Seattle CottonWorks, Lee Jeans and others. Workers are paid less than half the minimum wage. Two workers who exposed the fact

that part of the work was switching garment labels from "Made in Honduras" to "Made in the USA" were given 45 days in solitary.[29]

Over 7,000 California State prisoners make products for Cal State University, state hospitals, the prison system itself and the Dept. of Motor Vehicles. They even butcher beef and make salamis and burgers at PIA's meat processing plant. At the Aveala State Penitentiary, prisoners slaughter ostriches in a custom-built abattoir for export to Europe at $40 per pound.[30]

CAPITALISM'S TREATMENT FOR THE MENTALLY ILL = JAIL

It is estimated that 10% of the two million in U.S. prisons and jails have serious mental illnesses. Twenty years ago most of them would have been treated in the mental health system (no great bargain). But then thousands of mental hospitals were closed down (budget cuts). Now these mentally ill people are picked up off the streets and thrown in jail. Mental illness now makes one a candidate for the "criminal justice" system. The Los Angeles County Jail is now known as the largest mental institution in the United States.

Private Prisons

The privatization of federal, state and local prisons and jails started picking up steam in the '80s under an "enthusiastic" push from Reagan and Bush. But it became "the theme stock of the '90s" under the Clinton administration. Clinton's drive to reduce the federal workforce led to the Justice Department contracting out the imprisonment of undocumented workers and minimum-security prisoners to private prison corporations.

Private prisons are based on the selling of human beings — modern slavery. It involves the government auctioning off mostly young black men to the highest bidder. In the words of Thomas Beasley, the head of the largest private prison corporation, in promoting private prisons, "You just sell it like you were selling cars or real estate or hamburgers."

Private prisons are the fastest-growing sector of the prison-industrial complex. There are 18 such corporations guarding 100,000 prisoners in 27 states. The two largest — the Corrections Corporation of America (CCA) and Wackenhut — control about 75% of the industry.

Private prison profits are based on the principle of the higher the occupancy rate, the higher the profit. "Rehabilitation" never enters the equation. In fact, the more the prison corporations can prolong the terms of prisoners, the more profit they rake in.

A private prison gets a guaranteed fee for each prisoner, regardless of cost. Therefore, every dollar not spent on food or medical care is another dollar's profit. Again, modern slavery. The "secret to low-cost operations," says Virginia's private prison administrator Russell Boraas, "is having the minimum number of officers watching the maximum number of inmates."[31] Thus, the CCA has a state-of-the-art prison in Lawrenceville, Virginia, in which five guards on day shift and two on night shift watch 750 prisoners.

Private prison inmates lose credit for "good time" when disciplined by guards (who also own stock in the prison corporation). CCA guards in Tennessee say they're encouraged to write up prisoners for minor infractions and place them in "segregation." But the inmates not only lose "good time"; they also have 30 days added to their sentence, a bonus of nearly $1,000 for CCA![32] "We put 'em in 'seg' in a hurry," says one guard. A 1992 study of New Mexico's women's prisons found that inmates at a CCA prison lost "good time" at a rate EIGHT times higher than at state-run prisons.[33] How glorious the incentives of the free market!

This extension of prisoners' terms for profit extends to juvenile inmates, who understand only too well how money is being made off their bodies. One privately-owned juvenile prison in Texas houses 100 youths, "children really," said one guard. They are mostly black teen-age boys. One 14-year-old, upon being released, was told by a guard to "stay out of trouble. I don't want to see you back here," to which the youth replied, "Why not? That's how you make your money."[34]

WOMEN: FASTEST GROWING SECTION OF PRISON POPULATION (Or, One more cheer for "family values")

There are now 80,000 women in federal and state prisons, double the number of ten years ago. Women prisoners are increasing at a far faster rate then men. Of the 80,000 women, 56,000 (70%) are non-violent offenders. Over 60,000 (75%) are mothers. They often are jailed great distances from their children, so that there is minimum contact between mother and child. "That [makes] …it very difficult to integrate these mothers back into the care…of their children once they're home." Racism plays a large role here as well: Black women are "eight times as likely as white women to be incarcerated." And "sexual misconduct by 'correctional' staff members" [continues] against female prisoners." (Washington Post, Feb. 1, 2000, from a General Accounting Office study and interview with Eleanor Holmes Norton who commissioned the study; also, from *Atlantic Monthly*, December, 1998.)

But private prison inmates are not just sitting around being "watched." The private prison operation has created a chain leading directly from corporations like Boeing straight to captive prison labor. In 1995, Lockhardt Technologies closed its Austin, Texas plant, laying off 130 workers earning $10 an hour, changed its name to Labor-To-Industry

(LTI), and shifted its circuit board assembly operations to Wackenhut's "Work Program Facility" in Lockhardt, Texas. There 180 prisoners take home 50¢ an hour while the company pays $1-a-year rent.[35]

These prisoners make computer components ("mother boards") for none other than Dell Computer. Dell is the most profitable computer company and its production techniques are touted as a model for other industries, especially auto and aircraft. Boeing has made Dell its sole computer supplier. Dell has mastered "supply chain management" — "complete flexibility about whether a particular function is performed by its own people or by outsiders."[36] One of the keys to this is "just-in-time" production, which Dell applies to its parts production in Wackenhut's prison, the ultimate in a "flexible workforce." No worry about strikes here! Prisoners are available at slave labor wages during peak demand and sent back to their cells during lulls. So everybody makes money: Boeing, Dell, LTI and Wackenhut — everybody, that is, except the 50¢-an-hour prisoners. No wonder Prudential Securities declares that, "The [prison] industry appears to have excellent prospects."

This industry's thirst for profits knows no bounds. When a federal judge ruled that the overcrowding in Texas prisons constituted "cruel and unusual punishment," the CCA cut deals with sheriffs in poor counties to build and run new jails, and share the profits. CCA's building program was backed by investors from Merrill-Lynch, Shearson-Lehman, American Express and AllState.[37] This operation spread throughout rural Texas. However, liberal Democratic governor Ann Richards also reacted to the judge's ruling. Following Cuomo's example in NY State, she went on a state prison-building spree which "flooded the market," cutting into the source of private prison profits. (A law signed by Clinton in 1996 has given the states' prison systems the legal ability to dispense with such court supervision and rulings, allowing free reign to overcrowding, violent and unsafe conditions.)

Not to worry. Capitalists will find a way. The private prison corporations in Texas began contracting with other states whose prisons were overcrowded, offering them "rent-a-cell" facilities in CCA prisons in small Texas towns. By the mid-'90s, an "overcrowded" state would contact a "bed broker" — another profit-seeking middleman — who would search for empty Texas facilities at the "right price." The bed-broker's commission is $2.50 to $5.50 per man-day; the county gets $1.50 per prisoner just for giving the private prison legal status; and the CCA gets $25 to $60 per man-day, depending on how crowded the jails are. This trafficking in human beings resulted, as one example, in Hawaii's third largest prison now being located in Newton County, Texas.[38]

'Crime Pays'

The CCA is now the largest private prison corporation in the world. From 1995 to 1998 it was among the five top performing stocks on the NY Stock Exchange. Founded in 1983, the value of its stock rose from $50 million in 1986 (when it went public) to $53.5 BILLION IN 1997.[39] Its careful selection of the most lucrative prison contracts, its use of

prison labor and its slashing of labor costs led the Wall Street firm of Paine-Webber to conclude, "Crime pays."

The CCA formed the Prison Realty Trust to speculate on buying prisons as real estate, raising $338 million from investors. Their Wall Street backers were Lehman Bros. and Paine-Webber. CCA is building a new $100 million prison in California's Mojave Desert (a bonanza for the investment bankers), "gambling that cheap, empty prison beds will prove irresistible to California lawmakers."[40]

One of CCA's seven-member Board of Directors is black, Joseph Johnson, the former executive director of Jesse Jackson's Rainbow Coalition. Said the *Nashville Tennessean* newspaper, the CCA "now looks like America….Johnson is African-American as are 60% of CCA's prisoners." (Our emphasis) Johnson used his political connections to play a pivotal role in helping CCA swing a deal to buy a federal prison in Washington, D.C. for $52 million. This was the first federal prison sold to a private corporation (but not the last).

Wackenhut, the second largest private prison operator, started out as a hired strike-breaking outfit. It has worked closely with the CIA, helping it take over the Cabazon Indian reservation in California. This became a site to manufacture explosives, poison gas and biological weapons for shipment from this "sovereign nation" to the contras in Central America, circumventing a Congressional ban.[41] It also developed a list of 4,000,000 U.S. "dissidents" before entering the prison market. It now operates in 42 states and in 50 countries with annual revenue exceeding a billion dollars.

Although the private prisons may be "state-of-the-art," the conditions for prisoners are brutal. A pregnant woman prisoner in a CCA prison "died of criminal neglect," after suffering in agony for 12 hours. Prisoners in a Bobby Ross Group Texas prison staged a rebellion over poor food. The same outfit's prison in Montana was accused of starving prisoners and forcing them to wait days to see a doctor. Texas private prison guards were videotaped beating, kicking and administering electrical shocks to prisoners as well as turning loose dogs on them. British prison officials inspecting private prisons found "noisy" prisoners gagged with sticky tape, nearly choking them to death. They said conditions at a CCA-run immigration center in Houston were "the worst [they'd] ever witnessed."[42] All in the name of profits.

The Pay Phone Racket.

Another enormously profitable feature of the prison-industrial complex is the installation of pay phones on prison property. One of the few contacts prisoners have with the outside world is calling relatives and friends. But they are only in a position to make collect calls, which is paid for by the person receiving the call. Thus, the phone companies have a captive market for the most expensive kind of call and they milk it for huge profits.

MCI has the contract with the State of California for prison pay phones. The average revenue for each phone is $15,000 a year. (The average pay phone on the street brings in

$5,000.) MCI not only gets the highest rate for these collect calls but it also socks a $3 surcharge onto every call! The prison gets a 32% kickback on each call. This racket puts $1 billion into the coffers of the phone companies who get these prison contracts.[43] (In one state, MCI illegally arbitrarily added one minute to each call.) RCNA charges inmates at the Florence, Arizona immigration detention center $22 for a 15-minute call to the East Coast. The INS gets a 35% kickback.

The "Rehabilitation" Mask

The liberals try to rationalize this gigantic exploitation by claiming putting prisoners to work will help "rehabilitate" them, "teaching them a skill, responsibility and prepare them for a job upon release." If the rulers were so concerned about such "teachings," why not pay the prisoners a decent wage? Because that would take away one of the main advantages for the bosses exploiting them: the tremendous super-profits extracted from 23¢-an-hour "wages." (And could it be that prisoners being paid such slave wages may be led to feel that getting a $5-an-hour, minimum-wage poverty-level job when they get out is an "upgrade"?)

Secondly, if they're so concerned about "teaching skills" to help prisoners get a job when released, why do corporations seek prisoners with long-term and life sentences to learn these skills? Because they want prisoner-workers who will not be getting out in a couple of years, so the bosses' investment in skilled workers will not "be wasted." (And what do prisoners learn about "rehabilitation" from the profit-induced incentive to keep extending their terms while in prison?)

Thirdly, when workers who are learning, say, garment industry skills leave prison, what job will they get? A sweatshop job on the outside? Perhaps they wouldn't be in prison if the system hadn't presented them with such a dead-end life in the first place.

Fourth, if they're so concerned about "rehabilitation," why are perhaps 5% of all prisoners with drug problems getting any treatment at all? Most of the one and one-quarter million non-violent offenders are in prison because of a drug problem. But funds for drug treatment in prisons, such as it is under capitalism, keep getting cut and cut and cut. How much good is a "skill" if one still has a drug problem, which U.S. capitalism used to imprison you in the first place?

Finally, if as they claim, there are now "only" 4% unemployed (probably a sizeable underestimate), even that figure means there are about five million jobless in a workforce of 120 million. If the 1¼ million non-violent offenders were released tomorrow, they would surely join the millions already seeking jobs and add to the unemployment figures (from which they're now excluded). No, the "rehabilitation" rationale is simply a transparent liberal attempt to put a "humanitarian" mask on a brutal slave labor operation.

What Is To Be Done?

From all this evidence, one can easily conclude that any anti-sweatshop/prison labor campaign should concentrate its efforts on the most exploitative area of these twin evils: the U.S. prison-industrial complex. There profiteering exists in its most naked form. If a prisoner is thrown in solitary for refusing to work for 23¢ an hour, is it too much of a stretch to call that a concentration camp? Given that racism puts one of every four black men into this horror at some point in their lives, they, and millions more, are subject to fascism, plain and simple.

Opposition to prison slave labor should be raised in every union, mass organization, church, anti-sweatshop group, etc. The prison labor system drags down the conditions of the entire working class. It is in our own class interest to unite with our class brothers and sisters behind bars. Demonstrations outside prisons holding slave laborers and solidarity work stoppages and even strikes can be organized on behalf of our entire class, both in and out of the bosses' prisons.

These conditions also lend themselves to organizing behind bars. Religious groups already do this. Texas prison laborers are trying to organize a trade union to fight these oppressive conditions. Communists and others who find themselves in jail for whatever reason should look on this as an opportunity to win working-class prisoners to left-wing and communist ideas. Those who have relatives or friends in prison should view them as potential organizers. Such organizing may seem nigh impossible, but how much more difficult is it than organizing within the bosses' army?

Capitalism, No! Communism, Yes!

U.S. rulers claim their capitalist society is the most advanced of any in world history. What, then, does it say about this entire system if, in order to compete with rival bosses in their constant drive for maximum profits, U.S. bosses and their government have created this vast racist prison slave labor system to produce their profits and exercise social control over the working class? Instead of advancing humankind's relations, capitalism is taking us backwards into slavery!

All sections of the ruling capitalist class are involved in this fascist prison operation. Elimination of this prison-industrial complex means the elimination of the profit motive, which in turn requires the elimination of capitalism itself. This can only be accomplished if the working class, which produces everything of value (most of which is stolen by the bosses as profit) adopts the goal, and fights for, a society in which the working class collectively decides on the production and distribution of this value according to need. That society is communism, in which the guiding principle of society will be the contribution, understanding, development and leadership of each and every worker.

This can only be achieved if a mass communist party—Progressive Labor Party—composed of hundreds of millions of workers leads our whole class to that goal. However, the capitalist class controls the state apparatus, as its prison-industrial complex so vividly reveals. The ruling class will not give up its control peaceably. A communist-led, armed working class will have to smash it with working-class violence, with

communist revolution. That's the only way to wipe out the hell of capitalism, including the forced slave labor of the prison-industrial complex.

The Progressive Labor Party is building the long-term fight for communism. Join us!

Footnotes

1.The Washington-based Justice Policy Institute reported that "the U.S. jail and prison population will top two million" by Feb. 15, 2000. A similar figure was projected in the *Wall Street Journal*, March 12, 1999)

2. *The Race To Incarcerate*, by Marc Mauer

3. *The Atlantic Monthly*, December 1998

4. ibid.

5. *Wall Street Journal*, July 22, 1999

6. Interview, in "Prison Labor: Workin' For The Man"; Oct. 27, 1994

7. *The Nation*, Jan. 29, 1996

8. *The Atlantic Monthly*, December 1998

9. *Palm Beach Post*, Feb. 19, 1996

10. *Wall Street Journal*, May 20, 1999

11. *Atlantic Monthly*, December 1998

12. ibid.

13. Steven Danziger: "The Real War On Crime: Report of The National Criminal Justice Commission, 1996; pp. 102-104

14. Hearing before the Subcommittee on Crime, of the Judiciary Committee of the House of Representatives, Sept. 18, 1996; p. 125

15. *Atlantic Monthly*, December 1998, p. 73

16. Subcommittee hearings, p. 17

17. Subcommittee hearings, p. 32

18. *Wall Street Journal*, July 22, 1999

19. Hearing before the Subcommittee on Oversight and Investigations of the House Committee on Education and Workforce, Aug. 5, 1998

20. *Christian Science Monitor*, July 12, 1999

21. *Prison Labor News*, March 1997

22. ibid.

23. ibid.

24. *Prison Legal News*, May 1998. (Sources: *The Oregonian*, *Statesman-Journal*, and AP)

25. *Prison Legal News*, Nov. 1998. (Sources: *Virginia Pilot*, *Richmond Times-Dispatch*

26. *Corporate Watch*, Dec. 30, 1999; (www.corpwatch.org/features/prisons)

27. *NY Daily News*, Jan. 4, 2000

28. *The Nation*, Jan. 29, 1996

29. *Corporate Watch*, Nov. 2, 1999

30. *The Nation*, Jan. 29, 1996

31. *The Nation*, Jan. 5, 1998

32. "Private Prisons," by Eric Bates; *The Nation* Digital Edition (1997); (http://www.thenation.com)

33. ibid.

34. ibid.

35. *The Nation*, Jan. 29, 1996

36. *New York Times*, Jan. 26, 2000

37. *Atlantic Monthly*, December 1998, p. 65

38. ibid.

39. *The Nation*, Jan. 5, 1998

40. *Atlantic Monthly*, December 1998, p. 76

41. *Spy Magazine*, September 1992

42. *The Nation*, Jan. 5, 1998

43. *Atlantic Monthly*, December 1998, p. 63